

Allowable Pass-Through Expenses for Field Service Managers



Allowable Pass-Through Expenses

Expense Type	Description	PWS Reference
Record Retention Exit File Delivery	The actual cost of shipping files and the white boxes needed to send the records are reimbursed by HUD.	5.1.1.6 Physical File Maintenance and Retention 5.1.1.7 Delivery of Files Upon Request
Eviction Demolition Repairs	Actual costs of eviction, demolition or repairs performed at the direction of the GTR with prior approval, including an estimate of the cost for services. Note: GTR pre-approval required.	5.2.13 Eviction 5.2.14 Demolition 5.2.17 Repairs
Utility Liens	Payments to satisfy utility liens incurred prior to acquisition and in accordance with contract requirements. This applies to utility liens that were not resolved during the foreclosure process. Note: Prior GTR approval is not required for reimbursement.	5.2.4.1 Utility Liens
Utility Charges for Occupied Properties	Charges for heating, cooling, water or other essential utilities provided to occupied properties when the provision of utilities is approved in advance by the GTR. Note: GTR pre-approval required.	5.2.4.2 Utility Charges 5.2.4.4 Occupied Properties
Fees, Dues, Rents and Non-Tax Assessments	Costs associated with homeowner association fees, condominium dues, ground rents and non-tax assessments incurred after conveyance are reimbursable.	5.2.5.1 Homeowners Association Fees, Condominium Dues, Ground Rents and Non-Tax Assessments

Allowable Pass-Through Expenses – continued

Expense Type	Description	PWS Reference
Lead-Base Paint Inspection Lead-Base Paint Clearance Costs	For properties being sold with FHA insured financing with an approved work notification submitted by the Account Manager, costs associated with lead-base paint inspection and clearance costs for properties built prior to 1978 are reimbursable. Note: P260 work notification required.	5.2.6.1.3 Lead Based Paint Inspection 5.2.6.1.4 Lead Based Paint Work Orders
Lead-Base Paint Stabilization or Abatement	Lead-base paint stabilization or abatement costs less than \$4,000 will be reimbursed by HUD. For stabilization or abatement costs that exceed \$4,000, prior approval by the GTR is required. This applies to properties built prior to 1978 that are being sold with FHA insured financing. Note: GTR pre-approval required.	5.2.6.1 Lead Based Paint 5.2.6.1.4 Stabilization and Clearance 5.2.6.1.5 Costs
Philadelphia, PA Abatement of Lead-Base Paint Hazards	All HUD owned properties located in the city of Philadelphia built prior to 1978 are subject to complete inspection and elimination of lead-base paint hazards. Abatement costs incurred using an approved HUD contractor is a pass-through expense.	5.5.6.1.6 Philadelphia, PA
Mold Inspection	The GTR must approve testing and/or abatement costs associated with mold or other organic growth. Note: GTR pre-approval required.	5.2.6.2 Mold

Allowable Pass-Through Expenses – continued

Expense Type	Description	PWS Reference
Other Environmental Hazards	<p>All costs of environmental hazard testing and remediation pre-approved by the GTR are reimbursed.</p> <p>Examples of environmental hazards include, but are not limited to, noxious fumes, radiation, underground storage tanks, chemical spills and hazardous substances.</p> <p>Note: GTR pre-approval required.</p>	5.2.6.3 Other Environmental Hazards
Termite and Wood Destroying Organisms (WDO) Inspection	<p>If inspection is mandated by state or local jurisdiction, the property is sold with FHA insured financing or with GTR approval, the costs associated with termite and wood destroying organisms inspections are reimbursable.</p> <p>All WDO inspections must be completed by a pest control officer.</p> <p>Note: P260 work notification required.</p>	5.2.7 Termites and Wood Destroying Organisms
Termite and WDO Active Infestation	<p>Costs up to \$1,000 for treatment and/or any necessary repairs are reimbursed provided there is an Asset Manager issued work notification for properties being sold with FHA insured financing.</p> <p>GTR approval is required for treatment or repair costs that exceed \$1,000.</p> <p>Note: P260 work notification required.</p>	5.2.7.2 Active Infestation

Allowable Pass-Through Expenses – continued

Expense Type	Description	PWS Reference
Vandalism Repairs	<p>HUD will reimburse costs associated with vandalism with GTR pre-approval and an Asset Manager generated work notification.</p> <p>Note: HUD will not reimburse expenses due to vandalism if the property was not secured from unauthorized entry.</p> <p>Note: P260 work notification required.</p>	<p>5.2.8.1 Other Vandalism Repairs</p> <p>5.2.8.3 GTR Notification</p>
Missing Appliances	<p>If appliances are damaged or removed after the acceptance of a sales contract, costs incurred for the replacement or repair of appliances are reimbursed with GTR approval and a work notification generated in P260.</p> <p>Repair costs that exceed the replacement allowance will only be reimbursed up to the actual replacement allowance.</p> <p>Examples of appliance replacement allowances: range – \$200, refrigerator – \$250, dishwasher – \$150.</p>	<p>5.2.8.2 Missing Appliances</p> <p>5.2.8.3 GTR Notification</p>